

MINUTES

Audit, Risk and Governance Committee Meeting

11 March 2025

Committee Members

Here within are the Minutes of the Audit, Risk and Governance Committee Meeting held Tuesday 11 March 2025 in the City of South Perth Council Chamber, corner Sandgate Street and South Terrace, South Perth.

As this Committee does not hold Delegated Powers or Duties in accordance with Section 5.23 of the Local Government Act 1995 the meeting was not open to the public.



MIKE BRADFORD
CHIEF EXECUTIVE OFFICER

13 March 2025

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Audit, Risk and Governance Committee Meeting - Minutes

1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Chair declared the meeting open at 6.00pm and welcomed everyone in attendance.

The Chair welcomed Mr Duy Vo (Partner, Audit & Assurance) from William Buck Consulting who presented and answered questions from Committee Members relating to the Internal Audit Reports at Items 7.1, 7.2, and 7.3.

2. ATTENDANCE

Elected Members

Mayor (Chair)
Manning Ward

Greg Milner
Councillor André Brender-A-Brandis (Arrived at 6.02pm)
Councillor Jennifer Nevard

Moresby Ward

External Members

Mr Warwick Gately
Ms Shona Zulsdorf

Officers

Chief Executive Officer
Director Corporate Services
Director Development and Community Services
Director Infrastructure Services
Manager Finance
A/ Manager Governance
A/ Governance Coordinator
Governance Officer

Mr Mike Bradford
Mr Garry Adams
Ms Donna Shaw
Ms Anita Amprimo
Mr Abrie Lacock
Mr Morgan Hindle
Ms Christine Lovett
Ms Jane Robinson

Guests

William Buck Consulting

Mr Duy Vo (Retired at 6.32pm)

2.1 APOLOGIES

Nil.

2.2 APPROVED LEAVE OF ABSENCE

- Councillor Glenn Cridland for the period 6 March 2025 to 11 March 2025, inclusive.

3. DECLARATIONS OF INTEREST

Nil.

4. CONFIRMATION OF MINUTES

4.1 AUDIT, RISK AND GOVERNANCE COMMITTEE MEETING HELD: 11 November 2024

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf

Seconded: Mr Warwick Gately

That the Minutes of the Audit, Risk and Governance Committee Meeting held 11 November 2024 be taken as read and confirmed as a true and correct record.

CARRIED (4/0)

For: Mayor Greg Milner, Councillor Jennifer Nevard, Mr Warwick Gately and Ms Shona Zulsdorf.

Against: Nil.

5. PRESENTATIONS

Nil.

6. BUSINESS ARISING FROM PREVIOUS MEETING

Nil.

7. REPORTS

Councillor André Brender-A-Brandis arrived at 6.02pm during consideration of Item 7.1.

7.1 STRATEGIC INTERNAL AUDIT PLAN

File Ref: D-25-4884
Author(s): Garry Adams, Director Corporate Services
Reporting Officer(s): Garry Adams, Director Corporate Services

Summary

This report has been prepared for the Audit, Risk and Governance Committee to consider the Strategic Internal Audit Plan Financial Years 2025 – 2027. The City recently engaged William Buck (Consulting (WA) Pty Ltd to supply the provision of internal audit services for the City of South Perth for a period of three years.

The Strategic Internal Audit Plan will assist in establishing the annual work plans and annual budget.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf
Seconded: Mr Warwick Gately

That the Audit, Risk and Governance Committee endorses the Strategic Internal Audit Plan Financial Years 2025 – 2027 as contained in **Confidential Attachment (a)**.

CARRIED (5/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis and Jennifer Nevard, Mr Warwick Gately and Ms Shona Zulsdorf.

Against: Nil.

Background

Internal audit is an independent assurance and consulting activity designed to add value and improve organisational operations. It is a management tool that should help reduce risk (where appropriate), improve the business, and provide assurance that appropriate governance, risk management and control arrangements are in place and working effectively.

Internal Audit is different to the External (Financial Statements) Audit undertaken by the Office of the Auditor General (OAG). The External Audit attests the values contained in the Annual Financial Statements and Notes, to a materiality level, for an external audience (the general public). However, given good systems and processes are required to produce Financial Statements, the OAG will consider the findings, improvements, and reporting by the Internal Auditor as part of their analysis when undertaking their External (Financial Statements) Audit.

7.1 Strategic Internal Audit Plan

In 2017 the City appointed Paxon Group as our internal auditors following a Request for Quotation. From that time Paxon Group have continued to be the City's internal auditor, with all reports received subsequently presented to the Audit Risk and Governance Committee (the Committee) for endorsement and recommendation to Council. In March 2022, the Committee and Council endorsed an updated Strategic Internal Audit Plan, with Paxon Group completing their final audit for the City in October 2024.

In August 2024, the City invited expressions of interest from qualified and experienced auditors to undertake all aspects of the preparation and execution of a revised Strategic Internal Audit Plan for the period 2024-2027. The request for quotation was released via WALGA Vendorpanel on Friday 23 August 2024 to seven qualified and experienced auditors. At the close of submissions on Wednesday 11 September 2024 five organisations had responded. Following evaluation, William Buck Consulting (WA) Pty Ltd (William Buck) were appointed as the City's Internal Auditor for three years from the date of acceptance.

Comment

William Buck have developed a Strategic Internal Audit Plan Financial Years 2025 – 2027 (the Plan) as contained in **Confidential Attachment (a)**.

As detailed by William Buck in the Plan, *“the aim of the internal audit service is to assist the Audit Risk and Governance Committee and management to manage risk by providing an innovative, responsive, proactive and effective value-added Internal Audit function.”*

Being a risk based internal audit plan; the objective of the Plan is to direct internal audit resources in an efficient manner to provide assurance that key risks are being managed effectively. In developing the plan William Buck have considered the City's financial constraints, capacity to support the Internal Audit work, as well as developing and implementing the Audit findings/recommendations.

The Plan details the following:

- Role of Internal Audit Services,
- A Risk-based Approach; and
- Details the area of review, related risks, proposed hours, estimated fees and a high-level scope of works for the proposed Audits to be carried out for the Financial Years 2025 to 2027.

It is intended that the plan is reviewed on an annual basis to ensure it maintains relevance to current operations and aligns with the risks being faced by the City.

Consultation

Nil.

Policy and Legislative Implications

The Internal Audit function is considered a business improvement process that will assist in compliance with the Local Government (Financial Management) Regulations 5 (CEO's duties as to financial management) and the Local Government (Audit) Regulations 17 (CEO to review certain systems and procedures).

Financial Implications

The Internal Audit function has a budget of \$60,000 for the 2024/25 financial year, and it is anticipated that a budget of a similar amount is to be adopted for future years. Officers’ effort to undertake the improvements and report on progress has not been estimated.

Key Risks and Considerations

| | |
|-------------------------------|---|
| Risk Event Outcome | <p>Legislative Breach</p> <p>Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation.</p> |
| Risk rating | Low |
| Mitigation and actions | <p>Strategic Internal Audit Plan developed with consideration as to risks, statutory requirements and contemporary internal audit practices.</p> <p>Scoping of audits and audit services are provided by firm with appropriate expertise.</p> <p>Plan includes the use of expertise relevant to each audit.</p> |

Strategic Implications

This matter relates to the following Strategic Direction identified within Council’s [Strategic Community Plan 2021-2031](#):

- Strategic Direction: Leadership
- Aspiration: A local government that is receptive and proactive in meeting the needs of our community
- Outcome: 4.3 Good governance
- Strategy: 4.3.1 Foster effective governance with honesty and integrity and quality decision making to deliver community priorities

Attachments

- 7.1 (a): Strategic Internal Audit Plan FY 2025 - 27 *(Confidential)*

7.2 INTERNAL AUDIT REPORT - REGULATION 5 REVIEW

File Ref: D-25-4835
Author(s): Abrie Lacock, Manager Finance
Reporting Officer(s): Garry Adams, Director Corporate Services

Summary

This report tables the Internal Audit Report – Regulation 5 Review. In accordance with the Local Government (Financial Management) Regulations 1996 Regulation 5, the CEO is to undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government not less than once in every three financial years and report to the local government the results of those reviews. This review is in accordance with the City’s Strategic Internal Audit Plan.

The report provided by William Buck Consulting (WA) Pty Ltd contains positive observations and good practices of the City, three detailed audit findings with associated recommendations, risk ratings and management comments.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf

Seconded: Mr Warwick Gately

That the Audit, Risk and Governance Committee recommends to Council that it:

1. Notes the Internal Audit Report – Regulation 5 Review contained in **Confidential Attachment (a)**; and
2. Accepts the three recommendations contained within Section 2 of the Internal Audit – Regulation 5 report be added to the Audit Register.

CARRIED (5/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis and Jennifer Nevard, Mr Warwick Gately and Ms Shona Zulsdorf.

Against: Nil.

Background

For each completed Internal Audit, the reports are presented to the Audit, Risk and Governance Committee (ARGC) and then Council for acceptance of the recommendations and detailed findings.

A representative from William Buck Consulting (WA) Pty Ltd (William Buck) will attend the relevant ARGC meeting to respond to questions relating to the report. The report contains findings and recommendations, to which the City’s management have provided a response, and following endorsement by Council, all details will be listed in the City’s Audit Register.

Comment

The Internal Audit Report – Regulation 5 Review in **Confidential Attachment (a)** is used for internal purposes to assist in improving business processes and systems. The report includes the strengths, weaknesses, issues, risk ratings, recommendations and management comments.

Internal Audit is an essential component of the City’s continuous improvement process, findings and business improvement recommendations are welcome. The Regulation 5 Review report contains William Buck’s detailed findings with notations relating to efficiencies and other observations.

All items included in the Audit Register are reported at each subsequent ARGC meeting, including information relating to the progress of implementing the Agreed Management Actions, a percentage complete indicator and officer comments. As these items are implemented, a recommendation will be included to close the item. Closed items will no longer be reported in the Audit Register to the ARGC but will be accessible by the Internal and External Auditors to review compliance.

Consultation

Nil.

Policy and Legislative Implications

The Internal Audit function is considered a business improvement process that will assist in compliance with CEO’s duties as to financial management as mandated by Regulation 5 of the Local Government (Financial Management) Regulations 1996.

Financial Implications

The Internal Audit function has a budget of \$60,000 for the 2024/25 financial year.

Key Risks and Considerations

| | |
|-------------------------------|---|
| Risk Event Outcome | <p>Legislative Breach</p> <p>Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation.</p> |
| Risk rating | Low |
| Mitigation and actions | <p>Quarterly reporting of progress on the Audit Register to the ARGC and Council. In the report, Officer comments on actions taken and progressive completion of Actions are noted. Actions which are 100% complete are closed out and reported to the ARGC. There is no future reported on closed out actions.</p> |

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

| | |
|----------------------|--|
| Strategic Direction: | Leadership |
| Aspiration: | A local government that is receptive and proactive in meeting the needs of our community |
| Outcome: | 4.3 Good governance |
| Strategy: | 4.3.1 Foster effective governance with honesty and integrity and quality decision making to deliver community priorities |

Attachments

| | |
|----------|---|
| 7.2 (a): | Internal Audit Report - Regulation 5 Review (<i>Confidential</i>) |
|----------|---|

7.3 INTERNAL AUDIT REPORT - REGULATION 17 REVIEW

File Ref: D-25-4832
Author(s): Garry Adams, Director Corporate Services
Reporting Officer(s): Garry Adams, Director Corporate Services

Summary

This report tables the Internal Audit Report – Regulation 17 Review. In accordance with the Local Government (Audit) Regulations 1996 Regulation 17, the Chief Executive Officer is to review the appropriateness and effectiveness of the local government’s systems and procedures in relation to risk management, internal control and legislative compliance. This review aligns with the City’s three-year Strategic Internal Audit Plan in which a Regulation 17 Review must be completed during the 2024/25 financial year.

The report provided by William Buck Consulting (WA) Pty Ltd contains positive observations and good practices of the City, five detailed audit findings with associated recommendations, risk ratings and management comments.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf
Seconded: Mr Warwick Gately

That the Audit, Risk and Governance Committee recommends to Council that it:

1. Notes the Internal Audit Report – Regulation 17 Review contained in **Confidential Attachment (a)**; and
2. Accepts the five Audit findings and associated recommendations contained within Section 2 of the Internal Audit Report – Regulation 17 Review, be added to the Audit Register.

CARRIED (5/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis and Jennifer Nevard, Mr Warwick Gately and Ms Shona Zulsdorf.

Against: Nil.

Background

For each Internal Audit completed, the reports are presented to the Audit, Risk and Governance Committee (ARGC) and then Council for acceptance of the recommendations if there are detailed findings.

A representative from William Buck Consulting (WA) Pty Ltd (William Buck) will attend the relevant ARGC meeting to respond to questions relating to the report. The report contains findings and recommendations, to which the City’s management have provided a response, and following endorsement by Council, all details will be listed in the City’s Audit Register.

Comment

The Internal Audit Report – Regulation 17 Review in **Confidential Attachment (a)** is used for internal purposes to assist in improving business processes and systems. The report includes the strengths, weaknesses, issues, risk ratings, recommendations, and management comments.

Internal Audit is an essential component of the City's continuous improvement process, findings and business improvement recommendations are welcome. The Regulation 17 Review report contains William Buck's detailed findings with notations relating to efficiencies and other observations. In conducting the audit, William Buck committed resources to conducting the review, with the findings resulting in minor areas of improvement for the City. Management have responded to all recommendations, with the following actions being completed at the time of presenting the report to the ARGC:

- **Finding 1** – The City has two distinct levels of delegations; Council Delegations and CEO Delegations. In accordance with s5.46(2) of the *Local Government Act 1995* all delegations made under Division 4 of the Act are to be reviewed by the delegator at least once each financial year. All Council Delegations had been reviewed and presented to Council and endorsed at the 25 June 2024 Ordinary Council Meeting. All CEO delegations had been reviewed by the relevant delegator. Of the seven mentioned in the finding, all were CEO Delegations; one had been reviewed and endorsed, but due to an administrative error, this had not been noted. The final six had been reviewed, but due to the timing restrictions were not presented to the Executive Management Team until January 2025 for endorsement. This has now been conducted.
- **Finding 2** – Significant progress has been made in addressing the recommendations from this finding in particular in relation to the development of new Business Continuity Plans for all Business Units. New Business Continuity Plans are expected to be completed for all business units by 30 June 2025, following which the whole of organisation plan will be developed.
- **Finding 3** – All recommendations have been actioned with this finding now being completed.

All items included in the Audit Register are reported at each subsequent ARGC meeting, including information relating to the progress of implementing the Agreed Management Actions, a percentage complete indicator and officer comments. As these items are implemented, a recommendation will be included to close the item. Closed items will no longer be reported in the Audit Register to the ARGC but will be accessible by the Internal and External Auditors to review compliance.

Consultation

Nil.

Policy and Legislative Implications

The Internal Audit function is considered a business improvement process that will assist in compliance with Regulation 5 of the Local Government (Financial Management) Regulations 1996 (CEO's duties as to financial management) and regulation 17 of the Local Government (Audit) Regulations 1996 (CEO to review certain systems and procedures).

Financial Implications

The Internal Audit function has a budget of \$60,000 for the 2024/25 financial year, and it is anticipated that a budget of a similar amount is to be adopted for future years. Officers' effort to undertake the improvements and report on progress has not been estimated.

Key Risks and Considerations

| | |
|-------------------------------|--|
| Risk Event Outcome | Legislative Breach Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation. |
| Risk rating | Low |
| Mitigation and actions | Quarterly reporting of progress on the Audit Register to the ARGC and Council. In the report, Officer comments on actions taken and progressive completion of Actions are noted. Actions which are 100% complete are closed out and reported to the ARGC. There is no future reported on closed out actions. |

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

| | |
|----------------------|--|
| Strategic Direction: | Leadership |
| Aspiration: | A local government that is receptive and proactive in meeting the needs of our community |
| Outcome: | 4.3 Good governance |
| Strategy: | 4.3.1 Foster effective governance with honesty and integrity and quality decision making to deliver community priorities |

Attachments

7.3 (a): Internal Audit Report - Regulation 17 Review (*Confidential*)

7.4 INTERNAL AUDIT REPORT - PROJECT AND PROGRAM MANAGEMENT

File Ref: D-24-41078
Author(s): Anita Amprimo, Director Infrastructure Services
Reporting Officer(s): Garry Adams, Director Corporate Services

Summary

This report tables the Internal Audit Report – Project and Program Management in accordance with the City’s Strategic Internal Audit Plan 2022/2023 to 2026/2027.

The report contains five detailed audit findings, with a number of notations and observations. The audit includes strengths, weaknesses, rating, issues, risk ratings, recommendations and management comments.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf
Seconded: Mr Warwick Gately

That the Audit, Risk and Governance Committee recommends to Council that it:

1. Notes the Internal Audit Report – Project and Program Management contained in **Confidential Attachment (a)**; and
2. Accepts the five recommendations contained in Section 5 of the Internal Audit – Project and Program Management report be added to the Audit Register.

CARRIED (5/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis and Jennifer Nevard, Mr Warwick Gately and Ms Shona Zulsdorf.

Against: Nil.

Background

For each internal audit completed, the reports are presented to the Audit, Risk and Governance Committee (ARGC) and then Council for acceptance of the recommendations. Management responds to the recommendations of the auditor, in relation to their findings, and these are listed in the Audit Register.

Comment

The Internal Audit Report – Project and Program Management is a confidential report to be used for internal purposes to assist in improving business processes and systems. The report includes the strengths, weaknesses, rating, issues, risk ratings, recommendations and management comments.

Internal Audit is an essential component of the City's continuous improvement process and findings are welcome. As many areas have never been audited before, it is likely that each Internal Audit may contain findings. The Internal Audit – Project and Program Management report contained in **Confidential Attachment (a)** resulted in five findings to be included in the Audit Register.

Consultation

Nil.

Policy and Legislative Implications

The Internal Audit function is considered a business improvement process that will assist in compliance with Regulation 5 of the Local Government (Financial Management) Regulations 1996 (CEO's duties as to financial management) and Regulation 17 of the Local Government (Audit) Regulations 1996 (CEO to review certain systems and procedures).

Financial Implications

The Internal Audit function has a budget of \$60,000 for the 2024/25 financial year, and it is anticipated that a budget of a similar amount is to be adopted for future years. Officers effort to undertake the improvements and report on progress has not been estimated.

Key Risks and Considerations

| | |
|-------------------------------|---|
| Risk Event Outcome | Legislative Breach Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation |
| Risk rating | Medium |
| Mitigation and actions | Quarterly reporting of progress on the Audit Register to the ARGC and Council. In the report, Officer comments on action taken and progressive completion of Actions are noted. Actions which are 100% complete are closed out and reported back to the ARGC. There is no future reporting on closed out actions. |

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

| | |
|----------------------|--|
| Strategic Direction: | Leadership |
| Aspiration: | A local government that is receptive and proactive in meeting the needs of our community |
| Outcome: | 4.3 Good governance |
| Strategy: | 4.3.4 Maintain a culture of continuous improvement |

Attachments

| | |
|----------|---|
| 7.4 (a): | Internal Audit Report - Project and Program Management <i>(Confidential)</i> |
|----------|---|

7.5 QUARTERLY ACTIVITY REPORT

File Ref: D-25-4730
Author(s): Morgan Hindle, Governance Coordinator
Reporting Officer(s): Garry Adams, Director Corporate Services

Summary

This report outlines recent activities undertaken by the City of South Perth relating to Risk Management, Business Continuity and Workplace Health and Safety and an overview of the activities planned.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf

Seconded: Mr Warwick Gately

That the Audit, Risk and Governance Committee recommends to Council that it:

1. Notes the details of the Quarterly Activity Report as contained in the body of the report;
2. Notes the two Corporate Operational Risk being escalated as contained within the report; and
3. Endorses the Strategic Risk Register as contained in **Confidential Attachment (a)**.

CARRIED (5/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis and Jennifer Nevard, Mr Warwick Gately and Ms Shona Zulsdorf.

Against: Nil.

Background

The Council is responsible for the strategic direction of the City. The City's Audit, Risk and Governance Committee (ARGC) is a Committee of Council in accordance with the *Local Government Act 1995* (the Act) and is responsible for providing guidance, assistance and oversight to the Council, in relation to matters which include the City's compliance with Regulation 17 of the Local Government (Audit) Regulations 1996 (the audit regulations).

The responsibility of the Chief Executive Officer (CEO) in relation to Regulation 17 of the audit regulations includes reviewing the appropriateness and effectiveness of the City's systems and procedures in relation to:

- a) risk management;
- b) internal control; and
- c) legislative compliance.

This activity report will provide an update on the City's Risk Management, Business Continuity and Workplace Health and Safety activities undertaken for the previous quarter and identifies proposed activities for the upcoming quarter.

Information contained in this report will assist the ARGC in fulfilling their responsibilities as they relate to Regulation 17 of the audit regulations.

Comment

1) Strategic Risk Register

The Strategic Risk Register (register) has been developed in consultation with the City's Elected Members and external members of the ARGC. The register was last endorsed by the ARGC at its meeting held 11 November 2024.

The register, as contained in **Confidential Attachment (a)**, has been reviewed by the Internal Risk Management Committee and Executive Management Team. Where appropriate further clarification/information in relation to the controls in place has been provided with these amendments being highlighted in red text. The control effectiveness of each risk has been reviewed with all being assessed as having effective controls in place.

2) Operational Risk Register

In accordance with the requirements of the Risk Management Framework 2024 all Corporate Operational risks with a residual risk rating of High or Extreme are presented to the ARGC for review and noting. The Internal Risk Management Committee met on 4 February 2025 at which time the Operational Risk Register was reviewed and subsequently presented to the Executive Management Team on 17 February 2025 for endorsement.

The two risks detailed below have been identified as having a high-risk rating:

i. Corp Risk 1.2 Physical security of City Officers and Assets

Outcome: Health/Injury

Due to hostile incidents which have occurred at City facilities, the residual likelihood of this risk event occurring remains as possible, with the risk rating remaining as high, with effective controls in place.

Controls

Established corporate policies, management practices, procedures and strategies including:

- Communications on 'increased alert level' provided via email.
- External provider engaged for building security.
- Audio communication on CCTV at Waste Kiosk (completed) and thermographic camera to be installed at Recycling Centre 'battery storage area.'
- Additional security cameras installed at Animal Care Facility, George Burnett Leisure Centre and Civic Centre Customer Service.
- Swipe card access to staff administration areas.
- Personal duress alarm for Animal Care Facility Officers working alone.
- Training and awareness sessions provided.
- Cashless operations at the Civic Centre.

- Additional exit door installed in Development Services meeting room.
- Operations and Recycling Centre – main entry gates closed to the public outside business hours.
- Physical review of security at the Animal Care Facility, Rangers Office and Operations Centre reception area completed in 2024.
- Civic and Administration reception desk – glass barrier installed.
- Security gate and fencing installed at the Civic Centre staff carpark.
- Security screens on all windows at Animal Care Facility and Rangers Office.
- Annual review of all policies and management practices which address security access.
- Review of National Terrorism Threat Level when new information or events come to pass.

Further actions/comments

- Further rollout/renew/upgrade of CCTV at all City buildings.
- Works currently being conducted at recycling centre.

ii. **Corp Risk 5.0 Dependency on contractors to deliver key project/services.**

Outcome: Service Interruption

This risk was initially identified as a high-risk rating in November 2022 due to the availability of contractors to conduct works required by the City. In November 2024, this risk was reassessed and the risk rating was reduced to moderate as at that time the City was not experiencing the same level of difficulty in the availability of contractors.

On review by the Internal Risk Management Committee at the 4 February 2025 meeting, it is considered that the availability of contractors, was again posing difficulties and the level of this risk has been increased to a high-risk rating.

Outcome: Service Interruption

Due to the current labour market the residual likelihood of this event occurring has been increased from unlikely to possible, with the risk rating increasing to high, with effective controls in place.

Controls

- Robust supplier selection.
- Procurement Management provided by the Finance Services Business Unit.
- Use of WALGA preferred suppliers.
- Relationship management.

Further actions/comments

- Review contracts.
- Review public liability insurance levels (required by contractors).
- Establishment of panel of contractors.

While the residual rating of this risk is high, it is considered that all available mitigation strategies are in place to reduce the outcome of this risk impacting the City's community. Where necessary, key communication methods are used to inform our community of any delays/interruption to the expected delivery of a project or service.

3) Business Continuity

A Business Continuity Management Framework (BCMF) has been developed and was presented and noted at the 12 September 2023 ARGC Meeting. An implementation plan has been developed which was endorsed by the Executive Management Team on 28 January 2025. A presentation was delivered to the Management Team on 17 February 2025 with all Business Unit Managers being requested to develop a new Business Continuity Plan for their business units, aligned to the Business Continuity Framework.

Business Continuity Plans are expected to be completed for all business units by 30 June 2025, following which the whole of organisation plan will be developed. The Governance Business Unit is providing support to all Business Unit Managers in the development of the Business Continuity Plans.

4) ISO 45001 Work Health and Safety

The City's annual targets and objectives for WHS was reviewed by EMT for their bi-annual review on 13 February 2025. There have been a number of objectives achieved since the beginning of the financial year to date including:

- Successful Reaccreditation of ISO 45001 for the City's Civic Centre and South Perth Library.
- Successful Accreditation of ISO 45001 for the City's GBLC (additional location added).
- WHS refresher training for all employees and officers which included recent legislation changes was undertaken in January and February 2025.
- A number of training programs were undertaken including First Aid, Mental Health First Aid, and CPR training.
- The Wellbeing program continues to progress with skin screening checks, along with corporate massage.
- Collaborating with business units for risk assessments on EV stations and Operations Centre Site Induction program has also occurred.

The City and team are currently on-track to achieve set objectives for the financial year as planned, subject to the current resourcing, budgets, technologies, and support being available.

5) **Planned Activities**

The following activities are planned (subject to the availability of organisational officers) for the remainder of the 2024/25 financial year:

| System/Procedure | Activity | Expected Outcome |
|-----------------------------|---|---|
| Risk Management | Operational risks to be reviewed on a quarterly basis. | The City's Corporate Operational Risk register to be as current as reasonably practicable. |
| Risk Management | Development of further fraud and corruption training. | Increased knowledge within the City's business units in order to further protect resources and information and safeguard the integrity and reputation of the City. |
| Business Continuity | Rollout of updated business continuity plans in accordance with the requirements of the Business Continuity Management Framework. | The City's Business Continuity Plans to be as current as reasonably practicable. |
| Risk Management | Management Practice M695 Risk Management. | Sound risk management practices and procedures to be further integrated into the City's strategic and operational planning process and day to day business practices. |
| Risk Management | Provide training program for identified officers. | Provide support and guidance to officers ensuring they have familiarity with the City's risk management practices. |
| Workplace Health and Safety | Continue to implement the annual Targets & Objectives. | Targets are on track to be achieved for 2024/25. |

Consultation

Nil.

Policy and Legislative Implications

- Reg 17 (1) (a) (b) and (c) of the Local Government (Audit) Regulations 1996
 - 17. CEO to review certain systems and procedures
 - (1) The CEO is to review the appropriateness and effectiveness of a local government’s systems and procedures in relation to –
 - (a) risk management;
 - (b) internal control; and
 - (c) Legislative compliance.
- *Work Health and Safety Act 2020*

Financial Implications

Nil.

Key Risks and Considerations

| | |
|-------------------------------|--|
| Risk Event Outcome | Legislative Breach Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical, and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation |
| Risk rating | Low |
| Mitigation and actions | Continuous review and improvement in relation to all Risk Management, Business Continuity and Workplace Health and Safety activities. |

Strategic Implications

This matter relates to the following Strategic Direction identified within Council’s [Strategic Community Plan 2021-2031](#):

- Strategic Direction: Leadership
- Aspiration: A local government that is receptive and proactive in meeting the needs of our community
- Outcome: 4.3 Good governance
- Strategy: 4.3.4 Maintain a culture of continuous improvement

Attachments

- 7.5 (a): Strategic Risk Register (*Confidential*)

7.6 2024/25 CORPORATE BUSINESS PLAN - 2ND QUARTER UPDATE

File Ref: D-25-3542
Author(s): Pele McDonald, Manager People and Performance
Reporting Officer(s): Garry Adams, Director Corporate Services

Summary

This report provides an update on the progress of the Corporate Projects and Measures of Success identified in the Corporate Business Plan 2024/25-2027/28.

It is recommended that the Audit, Risk and Governance Committee notes the progress recorded against each Corporate Project/Activity contained within the 2024/25 Corporate Business Plan Quarter 2 Report and notes the results for all Measures of Success (key performance indicators) contained within the Corporate Business Plan Measures of Success Report.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf
Seconded: Mr Warwick Gately

That the Audit, Risk and Governance Committee:

1. Notes the progress recorded against each project/activity within the Corporate Business Plan as described in the report contained within **Attachment (a)**; and
2. Notes the results recorded against each Measure of Success within the Corporate Business Plan as described in the Key Performance Indicator report contained within **Attachment (b)**.

CARRIED (5/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis and Jennifer Nevard, Mr Warwick Gately and Ms Shona Zulsdorf.

Against: Nil.

Background

The Strategic Community Plan (SCP) 2021-2031 was endorsed by Council at its meeting held 14 December 2021. A minor review of the SCP was completed and endorsed by Council at its meeting held 23 April 2024.

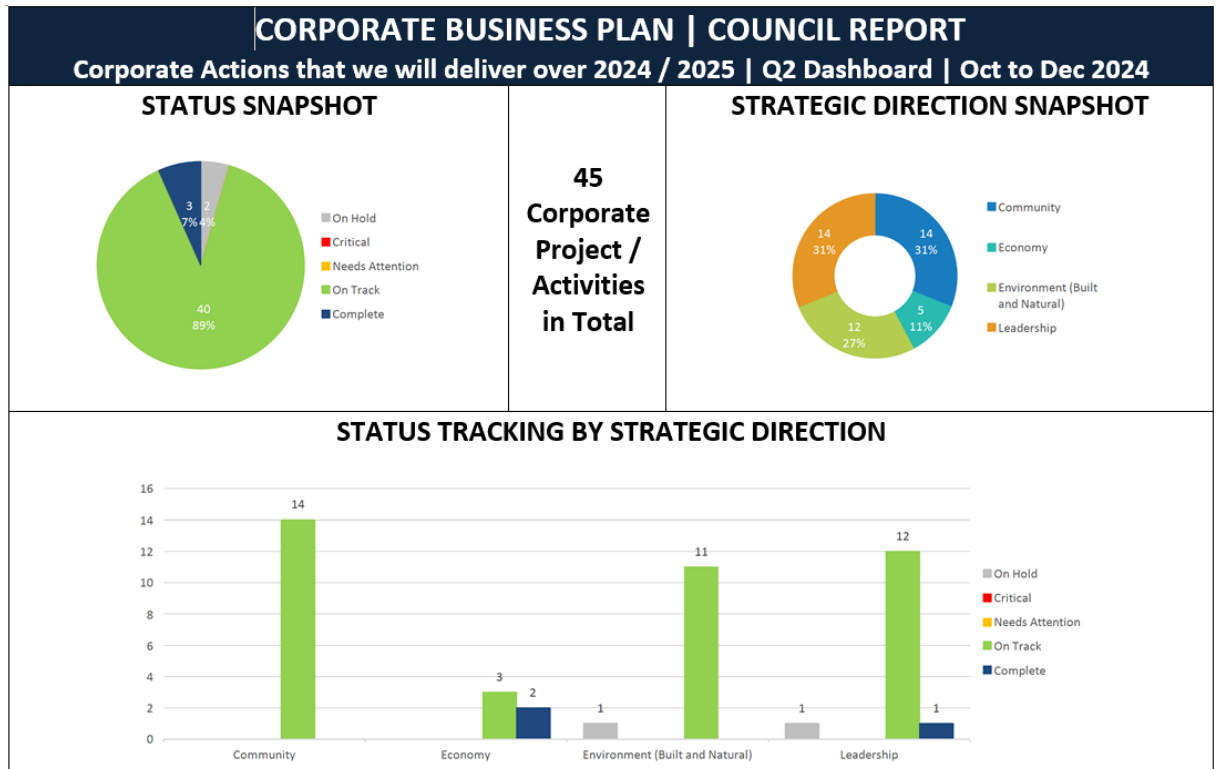
The Corporate Business Plan (CBP) translates the aspirations and strategies of the SCP into operational priorities and indicates how they will be resourced over a four-year period. The CBP outlines in detail the services and projects required to ensure delivery of the SCP and includes measures of success as an indication of performance.

The CBP for the period 2024/25 to 2027/28 was endorsed by Council at its meeting held 25 June 2024.

Comment

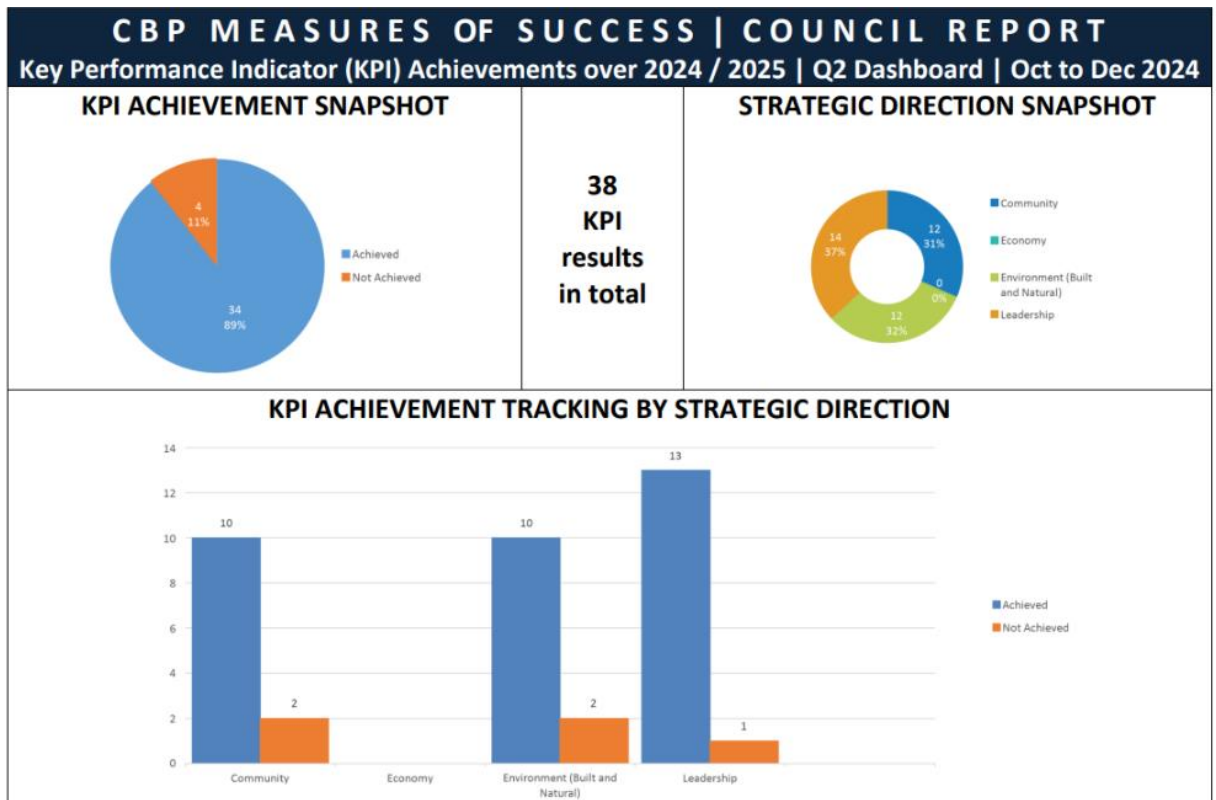
This is the progress report for quarter 2 of the 2024/25 planning year. The dashboard (shown in the screenshot below) has been designed within the “My Performance Planning” 1System module. This module is used by the City to record and report on all annual planned actions and measures of success within the CBP.

The City of South Perth’s Corporate Business Plan Report - Quarter 2 Dashboard



The CBP report (**Attachment (a)**) is presented for information, with a comment by the officer in the Quarterly Updates column. At the end of quarter 2 for the 2024/25 financial year, 40 (89%) of the 45 Corporate Actions are on track, 3 (7%) are complete and 2 (4%) of projects are on hold.

The City of South Perth's CBP Measures of Success Report – Quarter 2 KPI Dashboard



At the end of quarter 2 for the 2024/25 financial year 34 (89%) of the 38 KPIs were achieved, and 4 (11%) not achieved.

Nine KPIs have an annual reporting status instead of a quarterly reporting basis. The data for these KPIs does not change each quarter and/or is not calculated until the end of the financial year and hence quarterly reporting is unnecessary. These include:

1. Current Ratio
2. Financial Health Indicator
3. Asset Sustainability Ratio
4. Asset Renewal Funding Ratio
5. Compliance Audit Return Responses
6. Sustainable Living Program Satisfaction Rate
7. Natural Area Rehabilitation
8. Safety Management System
9. Reduction in Greenhouse Gas (GHG) Emissions

The KPI report (**Attachment (b)**) is presented for information, with a description by the officer in the Result Comment column when a KPI is not achieved.

Consultation

Nil.

Policy and Legislative Implications

Local Government (Administration) Regulations 1996.

Financial Implications

All projects and activities listed in the CBP Quarter 2 Update are fully funded within the 2024/25 Annual Budget.

Key Risks and Considerations

| | |
|-------------------------------|--|
| Risk Event Outcome | Reputational Damage Deals with adverse impact upon the professional reputation and integrity of the City and its representatives whether those persons be appointed or elected to represent the City. The outcome can range from a letter of complaint through to a sustained and co-ordinated representation against the City and or sustained adverse comment in the media. |
| Risk rating | Medium |
| Mitigation and actions | Performance management by: <ol style="list-style-type: none"> 1. Annual business planning with business units to identify new actions for the financial year. (Failing to plan is planning to fail); 2. Monitor progress of the Strategic Community Plan (SCP) through <ol style="list-style-type: none"> a. Quarterly reporting of the Corporate Business Plan (CBP) Corporate Actions; b. Quarterly Key Performance Indicator reporting of CBP measures of success; and 3. Implementation of Audit findings in accordance with the Audit Register Progress Report. |

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

| | |
|----------------------|--|
| Strategic Direction: | Leadership |
| Aspiration: | A local government that is receptive and proactive in meeting the needs of our community |
| Outcome: | 4.3 Good governance |
| Strategy: | 4.3.4 Maintain a culture of continuous improvement |

Attachments

| | |
|-----------------|------------------------------------|
| 7.6 (a): | Q2 FY25 CBP Project Status Updates |
| 7.6 (b): | Q2 FY25 CBP KPI Status Updates |

7.7 AUDIT REGISTER PROGRESS REPORT - 2ND QUARTER UPDATE

File Ref: D-25-5264
Author(s): Morgan Hindle, Governance Coordinator
Reporting Officer(s): Garry Adams, Director Corporate Services

Summary

This report provides an update on the progress of actions included in the Audit Register. The Audit Register includes all open audit findings that have previously been accepted by the Audit, Risk and Governance Committee and Council.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf
Seconded: Mr Warwick Gately

That the Audit, Risk and Governance Committee recommends to Council that it:

1. Notes the progress recorded against each item within the Audit Register in **Confidential Attachment (a)**; and
2. Approves the findings marked as Complete (100%) in the Audit Register, to be registered as closed and no longer reported to the Committee.

CARRIED (5/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis and Jennifer Nevard, Mr Warwick Gately and Ms Shona Zulsdorf.

Against: Nil.

Background

The confidential Audit Register as contained in **Confidential Attachment (a)** lists internal and external audit findings and describes the progress of implementing improvements and the percentage completion. This report is prepared for noting the progress and completion of findings since the last meeting.

Comment

The Audit Register contained in **Confidential Attachment (a)** presents audit outcomes by 'Finding' numbers. Any given Finding may have more than one 'Recommendation' and associated 'Agreed Management Action.'

Only when all Agreed Management Actions related to a Finding are marked as 100% complete, will the report be presented to the Audit, Risk and Governance Committee (ARGC), with a recommendation that the Finding be closed.

7.7 Audit Register Progress Report - 2nd Quarter Update

The Audit Register has been formatted to ensure clarity as detailed below:

1. Where a Finding has more than one Agreed Management Action, it is represented with double lines around that entire Finding.
2. Updates in relation to each Finding are displayed in chronological order i.e. latest update appears at the bottom of each Finding.
3. Each Finding that is to be closed (i.e. 100% complete for all Agreed Management Actions) is represented by a purple 'Closed Tally' column on the right and numbered.
4. All Findings that are being recommended for closure by the ARGC are filtered to the end of the register.

The ARGC is requested to recommend that Council note the progress and officer comments. In addition, it is recommended all Findings marked as complete (100%) in the Audit Register be registered as closed. All closed items will not form part of the Audit Register report for future meetings.

It is requested that the ARGC notes the Audit Register in **Confidential Attachment (a)**.

Consultation

Nil.

Policy and Legislative Implications

The Internal Audit function is considered a business improvement process that will assist in compliance with Regulation 5 of the Local Government (Financial Management) Regulation 1996 (CEO's duties as to financial management) and Regulation 17 of the Local Government (Audit) Regulations 1996 (CEO to review certain systems and procedures).

Financial Implications

The Internal Audit function has a budget of \$60,000 for the 2024/25 financial year, and it is anticipated that a budget of a similar amount is to be adopted for future years. Officers' effort to undertake the improvements and report on progress has not been estimated.

Key Risks and Considerations

| | |
|-------------------------------|--|
| Risk Event Outcome | <p>Legislative Breach</p> <p>Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation</p> |
| Risk rating | Medium |
| Mitigation and actions | <p>Quarterly reporting of progress on the Audit Register to the ARGC and Council. In the report, Officer comments on actions taken and progressive completion of Actions are noted. Actions which are 100% complete are closed out and reported to the ARGC. There is no future reported on closed out actions.</p> |

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

| | |
|----------------------|--|
| Strategic Direction: | Leadership |
| Aspiration: | A local government that is receptive and proactive in meeting the needs of our community |
| Outcome: | 4.3 Good governance |
| Strategy: | 4.3.1 Foster effective governance with honesty and integrity and quality decision making to deliver community priorities |

Attachments

7.7 (a): Audit Register Report (*Confidential*)

7.8 ANNUAL REVIEW OF COUNCIL DELEGATIONS

File Ref: D-25-4691
Author(s): Morgan Hindle, Governance Coordinator
Reporting Officer(s): Garry Adams, Director Corporate Services

Summary

The City has a statutory obligation under the *Local Government Act 1995* to review its Delegations each financial year. The Terms of Reference of the Audit, Risk and Governance Committee include responsibility for reviewing the City's Delegations.

A review of the Council Delegations has been completed and is now presented to the Audit, Risk and Governance Committee for consideration and referral to Council for adoption.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf
Seconded: Mr Warwick Gately

That the Audit, Risk and Governance Committee recommends to Council that it:

1. Notes that in accordance with Section 5.46(2) of the *Local Government Act 1995*, the following Delegations to the Chief Executive Officer and/or City Officers as shown at **Attachment (a)** have been reviewed with 'no changes' being proposed:

| | |
|-------|--|
| DC370 | Approve or Refuse Granting of a Building Permit |
| DC373 | Approve or refuse an Extension of the Duration for Occupancy Permits or Building Approval Certificates |
| DC374 | Appoint Authorised Officers for the purposes of the Building Act 2011 |
| DC376 | Infringement Notices under the Building Regulations 2012 |
| DC377 | Referrals and Issuing Certificates |
| DC378 | Inspection and Copies of Building Records |
| DC607 | Tenders/E-Quotes/Common Use Agreements |
| DC609 | Leases |
| DC612 | Disposal of Surplus Property |
| DC617 | Granting Discounts, Concessions, Fee Waiver and Debt Write Off |
| DC642 | Appointment of Acting CEO |
| DC664 | Dogs - Local Government Functions |
| DC665 | Cats - Local Government Functions |
| DC677 | Bush Fires Act 1954 - Local Government Functions |
| DC679 | Administer the City's Local Laws |
| DC684 | Sealed Documents |
| DC692 | Enforcement and Legal Proceedings - Illegal Development |
| DC703 | Minor Amendments to Delegations Register and Policies |

2. Notes that in accordance with Section 5.46(2) of the *Local Government Act 1995*, the following Delegations to the Chief Executive Officer and/or City Officers as shown at **Attachment (b)** have been reviewed with ‘**minor changes**’ being proposed:
- | | |
|-------|---|
| DC371 | Approve or Refuse Granting of a Demolition Permit |
| DC372 | Grant, or Refuse to Grant Occupancy Permits or Building Approval Certificates |
| DC375 | Issue or Revoke Building Orders |
| DC379 | Private Pool Barrier - Alternative and Performance Solutions |
| DC401 | Graffiti Vandalism Act - Local Government Functions |
| DC511 | Partial Closure of a Thoroughfare for Repair or Maintenance |
| DC602 | Authority to Make Payments from the Municipal and Trust Funds |
| DC603 | Investment of Surplus Funds |
| DC618 | Commence a Prosecution for an Offence |
| DC685 | Inviting Tenders or Expressions of Interest |
3. Notes that in accordance with Section 5.46(2) of the *Local Government Act 1995*, the following Delegations to the Chief Executive Officer and/or City Officers as shown at **Attachment (c)** have been reviewed with ‘**major changes**’ being proposed:
- | | |
|-------|-----------------------------|
| DC690 | Local Planning Scheme No. 7 |
|-------|-----------------------------|
4. Notes that in accordance with Section 5.46(2) of the *Local Government Act 1995* the following Delegation to the Chief Executive Officer as shown at **Attachment (d)** has been reviewed and that it be **revoked**:
- | | |
|-------|------------------------------------|
| DC678 | Appointment of Authorised Officers |
|-------|------------------------------------|
5. Adopts the following ‘**new**’ Delegations to the Chief Executive Officer and/or City Officers as shown at **Attachment (e)** in accordance with Section 5.46(2) of the *Local Government Act 1995*:
- | | |
|-------|--|
| DC704 | Food Act 2008 - Determine Compensation |
| DC705 | Food Act 2008 - Debt Recovery and Prosecutions |
| DC706 | Food Businesses Registration |
| DC707 | Food Businesses List – Public Access |
| DC708 | Prohibition Orders and Certificates of Clearance |
| DC709 | Authorised Persons to Perform Specific Functions Under the <i>Local Government Act 1995 and Local Government (Miscellaneous Provisions) Act 1960</i> |
| DC710 | Appoint Authorised Officers and Designated Officers <i>Food Act 2008</i> |
| DC711 | Appoint Authorised Officers and Designated Officers – Food Act 2008 list of officers issuing infringements |
| DC712 | Appoint Authorised Officers and Designated Officers – Food Act 2008 list of officers administration of infringement notices |

Absolute Majority Required

CARRIED (5/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis and Jennifer Nevard, Mr Warwick Gately and Ms Shona Zulsdorf.

Against: Nil.

Background

Section 5.42 of the *Local Government Act 1995* (the Act) provides that a Council may delegate to the Chief Executive Officer (the CEO) the exercise of any of its powers or the discharge of any of its duties under the Act, other than those referred to in section 5.43.

Section 5.46(2) of the Act requires the local government to review its Delegations at least once every financial year.

The purpose of this review is to consider the operational effectiveness of the current delegations, whether they remain relevant and appropriate and whether legislative amendments or organisational changes necessitate any revisions to the text.

Comment

There are a range of powers and duties delegated to the CEO in accordance with the powers provided by Sections 5.42(1)(a) and (b) of the Act. The Delegations were forwarded to the relevant officers from each business unit who reviewed the appropriateness of the existing Delegations and if there was a need for any additional delegations.

No Changes

As a result of this review, the delegations listed below and at **Attachment (a)** have no changes, therefore no explanatory notes have been provided.

| | |
|-------|--|
| DC370 | Approve or Refuse Granting of a Building Permit |
| DC373 | Approve or refuse an Extension of the Duration for Occupancy Permits or Building Approval Certificates |
| DC374 | Appoint Authorised Officers for the purposes of the Building Act 2011 |
| DC376 | Infringement Notices under the Building Regulations 2012 |
| DC377 | Referrals and Issuing Certificates |
| DC378 | Inspection and Copies of Building Records |
| DC607 | Tenders/E-Quotes/Common Use Agreements |
| DC609 | Leases |
| DC612 | Disposal of Surplus Property |
| DC617 | Granting Discounts, Concessions, Fee Waiver and Debt Write Off |
| DC642 | Appointment of Acting CEO |
| DC664 | Dogs - Local Government Functions |
| DC665 | Cats - Local Government Functions |
| DC677 | Bush Fires Act 1954 - Local Government Functions |
| DC679 | Administer the City's Local Laws |
| DC684 | Sealed Documents |
| DC692 | Enforcement and Legal Proceedings - Illegal Development |
| DC703 | Minor Amendments to Delegations Register and Policies |

Minor Changes

As a result of this review, the delegations listed below and at **Attachment (b)** are considered to have minor changes which are highlighted by tracked changes. As these changes are considered to be minor administrative changes, no explanatory notes have been provided.

| | |
|-------|---|
| DC371 | Approve or Refuse Granting of a Demolition Permit |
| DC372 | Grant, or Refuse to Grant Occupancy Permits or Building Approval Certificates |
| DC375 | Issue or Revoke Building Orders |
| DC379 | Private Pool Barrier - Alternative and Performance Solutions |
| DC401 | Graffiti Vandalism Act - Local Government Functions |
| DC511 | Partial Closure of a Thoroughfare for Repair or Maintenance |
| DC602 | Authority to Make Payments from the Municipal and Trust Funds |
| DC603 | Investment of Surplus Funds |
| DC618 | Commence a Prosecution for an Offence |
| DC685 | Inviting Tenders or Expressions of Interest |

Major Changes

As a result of this review, the delegation listed below and at **Attachment (c)** has major changes to the content, therefore explanatory notes have been provided:

DC690 Local Planning Scheme No. 7

The conditions of delegation have been amended as follows:

1. Specific Uses

- e. Remove reference to '*Holiday house and Holiday accommodation;*'

2. Major Developments

- b. Residential development amended to remove reference to '*which is 9.0 metres or higher or comprises*' dwellings.

Revoke

Following review of the WALGA Template Delegations Register, the delegation listed below and at **Attachment (d)** is recommended for revocation, explanatory notes have been provided below.

DC678 Appointment of Authorised Officers

It is proposed that DC678 be revoked as section 9.10 of the *Local Government Act 1995* grants the authority to appoint authorised officers to the CEO. If the delegation were to remain, it could be interpreted as Council delegating this power to the CEO rather than recognising the CEO's authority under the Act.

New Delegations

Following review of the WALGA Template Delegations Register, the delegations listed below and at **Attachment (e)** are new delegations proposed for adoption, explanatory notes have been provided below:

DC709 Authorised Persons to Perform Specified Functions under the Local Government Act 1995 and Local Government (Miscellaneous Provisions) Act 1960

While the Chief Executive Officer has the power to appoint Authorised Officers under section 9.10 of the *Local Government Act 1995* (the Act), there are other authorised functions for which the power sits with the local government (Council).

Subsequently a delegation is required to enable the CEO to appoint authorised officers, where the head of power is within the Act or the Local Government (Miscellaneous Provisions) Act 1960) but outside of section 9.10 of the Act.

A new delegation titled DC709 Authorised Persons to Perform Specified Functions under the *Local Government Act 1995* and *Local Government (Miscellaneous Provisions) Act 1960* (Provisions Act) is proposed, which will capture the appointment of Authorised Officers which sit either outside of section 9.10 of the Act or within the Provisions Act.

Please see below examples of the types of authorisations this delegation covers:

1. In accordance with Section 3.24 of the *Local Government Act 1995* authority to authorise persons for the purposes of *Part 3, Division 3, Subdivision 2 – Certain provisions about land* - to exercise the Local Government’s powers under s.3.25 to 3.27 inclusive, to issue and administer notices requiring certain things to be done by owner or occupier of land [s.3.24]. For example: firebreaks.
2. The authority to impound property under [s3.39] and [s3.40A] does not sit with the CEO under [s9.10] as these sections of the Act specifically provide the power to the local government. This delegation will give the CEO the power to authorise City Officers for these purposes. An example of a situation where property is to be removed and impounded involves any goods that are involved in a contravention that can lead to impounding (illegal camping on City reserves, abandoned vehicles).
3. The *Local Government (Miscellaneous Provisions) Act 1960* is not a subsidiary legislation of the *Local Government Act 1995* - and therefore is an independent legislation. Delegation is therefore required to give the CEO the authority to appoint fit and proper persons as pound keepers or rangers [Misc.Prov.s.449]. An example where the appointment of a pound keeper may be required, relates to the City’s proposed Dogs Local Law 2025. This proposed local law has the provision for a pound keeper authorised by the local government to perform all or any of the functions conferred on a “pound keeper” under the local law. This delegation will give the CEO the power to appoint a City Officer as a “Pound Keeper”.

- DC704 Food Act 2008 - Determine Compensation
- DC705 Food Act 2008 - Debt Recovery and Prosecutions
- DC706 Food Businesses Registration
- DC707 Food Businesses List – Public Access
- DC708 Prohibition Orders and Certificates of Clearance
- DC710 Appoint Authorised Officers and Designated Officers *Food Act 2008*
- DC711 Appoint Authorised Officers and Designated Officers – Food Act 2008 list of officers issuing infringements
- DC712 Appoint Authorised Officers and Designated Officers – Food Act 2008 list of officers administration of infringement notices

The abovementioned delegations have been identified as being required by the City to enhance operational effectiveness in relation to the City’s powers as they relate to the *Food Act 2008*.

Consultation

Nil.

Policy and Legislative Implications

Section 5.46(2) of the Act requires all delegations to be reviewed at least once each financial year.

Financial Implications

Nil.

Key Risks and Considerations

| | |
|-------------------------------|--|
| Risk Event Outcome | Legislative Breach Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation. |
| Risk rating | Low |
| Mitigation and actions | Annual reviews in place. |

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

| | |
|----------------------|--|
| Strategic Direction: | Leadership |
| Aspiration: | A local government that is receptive and proactive in meeting the needs of our community |
| Outcome: | 4.3 Good governance |
| Strategy: | 4.3.1 Foster effective governance with honesty and integrity and quality decision making to deliver community priorities |

Attachments

| | |
|----------|---------------|
| 7.8 (a): | No Changes |
| 7.8 (b): | Minor Changes |
| 7.8 (c): | Major Changes |
| 7.8 (d): | Revoke |
| 7.8 (e): | New |

7.9 POLICY REVIEW

File Ref: D-25-497
Author(s): Morgan Hindle, Governance Coordinator
Reporting Officer(s): Garry Adams, Director Corporate Services

Summary

The Terms of Reference of the Audit, Risk and Governance Committee include responsibility for reviewing the City's policies. The following policies are now presented for the consideration of the Committee and referral to Council for adoption.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf
Seconded: Mr Warwick Gately

That the Audit, Risk and Governance Committee recommends to Council that it:

1. Adopts the following revised policies with amendments as shown in **Attachment (a)**:

| | |
|------|-------------------------------------|
| P210 | Street Verges – and Vegetation |
| P672 | Agenda Briefings and Concept Forums |

CARRIED (5/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis and Jennifer Nevard, Mr Warwick Gately and Ms Shona Zulsdorf.

Against: Nil.

Background

In line with contemporary organisational models, the policy framework aligns policies to the City's Strategic Directions as contained in the Community Strategic Plan 2021-2031.

Due to the volume of documents held within the City's policy portfolio, the annual review of all policies will be staggered across the year, based on Directorate commencing in June 2025. The below-mentioned policies have been identified as requiring immediate review and amendment, therefore are presented to the Audit, Risk and Governance Committee for recommendation and adoption to Council outside of the scheduled review timeframe.

This policy review was conducted to facilitate administrative processes in improving the efficiencies and amenity of these policies with no new policies drafted for consideration, and no policies recommended to be revoked.

Amended Policies

The policies listed below and at **Attachment (a)** are recommended with amendments as shown by track changes in each document. To assist members of the committee in reviewing these documents a clean version of each policy is provided as shown in **Attachment (b)**.

A small summary explaining the amendments has been provided in the table below:

P210 Street Verges and Vegetation

Amendments to P210 Street Verges and Vegetation are proposed to establish clear parameters regarding verge treatments including vegetation and street trees.

The policy includes activities which are prohibited without the prior written approval of the City and the criteria for Street Tree Removal. These amendments also introduce guidelines for amenity valuations in cases where tree removal is approved.

Residential Design Codes

The Residential Design Codes (R-Codes) - Volume 1 is applicable to most of the district outside activity centres/ reserved land. The R-Codes include deemed-to-comply criteria and design principles. Applications that do not comply with the deemed-to-comply criteria are assessed against relevant design principles.

The following outlines the relationship of the deemed-to-comply criteria in respect to matters pertaining to street trees, being vehicle access and car parking.

Vehicle Access

The deemed-to-comply criteria of the R-Codes Volume 1 requires access to on-site car parking spaces to be provided:

- where available, from a communal street or right-of-way available for lawful use to access the relevant site and which is adequately paved and drained from the property boundary to a constructed street; or
- from a secondary street where no right-of-way or communal street exists; or
- from the primary street frontage where no secondary street, right-of way, or communal street exists.

Driveways shall be located so as to avoid street trees, or, where this is unavailable, the street trees replaced at the applicant's expense or replanting arrangement to be approved by the decision-maker.

The relevant design principle requires vehicular access provided for each development site to provide:

- vehicle access safety;
- reduced impact of access points on the streetscape;
- legible access;
- pedestrian safety;
- minimal crossovers; and
- high quality landscaping features.

The City seeks to ensure driveways and associated crossovers are located to avoid street trees in the first instance. The City also requires access to grouped dwelling developments to be obtained from the common property access way (communal driveway) in lieu of two crossovers being provided to serve each dwelling in the development where the preference of the applicant is to have separate accessways.

Design Principle Compliance

If the applicant can demonstrate compliance with the design principles for both car parking and driveways, and if the removal of street trees is necessary to facilitate the development, the proposed amendments to P210 will provide a transparent pathway for the City to impose conditions requiring an amenity valuation fee and/or replacement tree and maintenance when street trees are removed for car parking and vehicle access.

Car Parking

The deemed-to-comply criteria of the R-Codes - Volume 1 requires car parking to be located on-site, however, where this is not achieved, the design principles provide for consideration of some or all of the required car parking spaces to be located off-site, provided that these spaces meet the following:

- The off-site car parking area is sufficiently close to the development and convenient for use by residents and/or visitors;
- Any increase in the number of dwellings or possible plot ratio being matched by a corresponding increase in the aggregate number of car parking spaces;
- Permanent legal right of access being established for all users and occupiers of dwellings for which the respective car parking space is to be provided; and
- Where off-site car parking is shared with other uses, the total aggregate parking requirement for all such uses, as required by the R-Codes and the Scheme being provided. The number of required spaces may only be reduced by up to 15 per cent where the non-residential parking occurs substantially between 9:00am and 5:00pm on weekdays.

Whilst approval of the City is required to construct bays within the verge area, the approval process for applications assessed under the R-Codes - Volume 1 provides the ability for the above design principle assessment and use of the verge for parking bays associated with the development where the deemed-to-comply criteria has not been achieved.

As such, P210 should not be amended to prohibit the use of the verge for this purpose in areas where the R-Codes Volume 1 are applicable, given it is an assessment pathway available under the R-Codes – Volume 1. The City seeks to ensure car parking bays are located on site to serve the development in the first instance.

For areas assessed under R-Codes – Volume 2 – Apartments, including activity centres, the guidelines do not explicitly require car parking to be located on-site. Instead, parking must be designed for safety and accessibility, with consideration for the location's public transport and cycling networks, while minimising negative impacts on amenity and streetscape. Amendments to the Policy to specify that parking will not be supported in the verge within the Canning Bridge Activity Centre has previously been included in P210.

Tree Removal

Although the City is not the owner of local road reserves, it has the care, control of management of road reserves and by association, street trees within the road reserves, and can therefore determine when the removal of a street tree is deemed appropriate.

Management of the road reserve is an executive function of local governments and as such, there is no right of review to the State Administrative Tribunal for decisions related to requests to remove a street tree. This does not extend to formal applications to remove a street tree (such as via crossover permit or development applications).

The proposed parameters for tree removal are as follows:

- **Dead or Dying:** The street tree is dead or dying with no potential to recover.
- **Diseased:** The street tree is diseased and unlikely to respond to treatment.
- **Public Safety and/or Liability Risk:** The street tree poses a significant, demonstrable risk to public safety or property, and the risk cannot be mitigated through pruning or other management strategies.
- **Declared Noxious Weed:** The street tree is a species declared as a noxious weed by the Department of Primary Industries and Regional Development or required to be removed under a Quarantine Area Notice.
- **Value:** The street tree has been assessed by the City to be of no ecological, amenity or community value.
- **Strategy Removal:** The street tree is being removed as part of a broader strategic plan to enhance the urban canopy or align with landscape design objectives.
- **Development Compliance:** The applicant has demonstrated compliance with the relevant design principles of the Residential Design Codes or planning framework and obtained development approval, where all other design options have been exhausted.

The City may require a Tree Risk Assessment or Arborist Report in support of the above criteria, prepared by a suitably qualified consultant at the expense of the applicant.

The City also receives requests to relocate street trees to accommodate development/ crossovers. Given the low likelihood of survival, the Policy has been updated to state the City will not support relocation for this purpose.

Amenity Valuation

The City considers that an amenity fee for the removal of a street tree could reasonably be charged as part of the City's function to exercise care, control and management over local road reserves.

Conditions of Development Approval

Conditions of development approval must:

- Serve a planning purpose;
- Fairly and reasonably relate to the development;
- Is not so unreasonable that no reasonable planning authority could have imposed it; and
- Be certain and final.

A condition requiring payment for the removal of a street tree, along with the cost of a replacement tree and its maintenance, is likely to meet the above necessary criteria. The framework for applying a condition requiring payment for the amenity value of the removed tree should be publicly available and transparent to ensure consistent application, provide certainty and to express how the fee serves a planning purpose.

For this reason, amendments to P210 are proposed to clearly outline:

- How the amenity valuation is calculated;
- The intended use of the amenity fee where collected;
- How the cost of removing the tree has been calculated; and
- How the cost of a new tree and the maintenance of a new tree has been calculated.

Valuation Methodology

The City uses the Amenity Valuation of Trees and Woodlands (Helliwell) method for amenity valuations for trees. This method focuses on visual amenity and rates seven factors at 1 to 4 points each (occasionally less than 1). The factor points are multiplied together and then by an assigned monetary value per point as follows:

TREE VALUE (\$) = TREE SIZE x LIFE EXPECTANCY x IMPORTANCE IN THE LANDSCAPE x PRESENCE OF OTHER TREES x RELATION TO SETTING x FORM x SPECIAL FACTORS x \$ ASSIGNED MONETARY VALUE PER POINT.

This is proposed to be outlined in P210 to ensure the valuation methodology is transparent. This fee is in addition to the costs associated with Street Tree Removal and Replacement and Maintenance Costs.

P672 Agenda Briefings, Concept Forums and Workshops

In consultation with the Elected Members and the community, the Governance Business Unit has commenced publishing the agenda for Council Agenda Briefings (the Briefing) on the Wednesday prior to the Briefing (being 2 days earlier than previously published). This is to allow Elected Members and the community sufficient time to read the documentation, engage with the content, prepare for the meetings and facilitate more informed decision making.

To facilitate this change, P672 has been amended to increase the minimum submission period from seven working days to nine prior to the Council Agenda Briefing. This change will ensure sufficient time is available to the administration to provide a full and considered officer response to Notice of Motions.

Consultation

Nil.

Policy and Legislative Implications

The reviewed policies are consistent with the *Local Government Act 1995*, relevant legislation and guidelines and other City documents.

Financial Implications

In relation to P210 Street Verges – Vegetation, it is recommended that Council establish a reserve account for tree amenity contributions as part of the 2025/26 Annual Budget.

Key Risks and Considerations

| | |
|-------------------------------|--|
| Risk Event Outcome | Legislative Breach Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation. |
| Risk rating | Low |
| Mitigation and actions | Review of all City policies on a regular basis. |

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

| | |
|----------------------|--|
| Strategic Direction: | Leadership |
| Aspiration: | A local government that is receptive and proactive in meeting the needs of our community |
| Outcome: | 4.3 Good governance |
| Strategy: | 4.3.1 Foster effective governance with honesty and integrity and quality decision making to deliver community priorities |

Attachments

- 7.9 (a): Amended Policies with Track Changes
- 7.9 (b): Clean Copy of Amended Policies

7.10 COMPLIANCE AUDIT RETURN

File Ref: D-25-615
Author(s): Morgan Hindle, Governance Coordinator
Reporting Officer(s): Garry Adams, Director Corporate Services

Summary

This report provides the City's response to the Department of Local Government, Sport and Cultural Industries 2024 Compliance Audit Return.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf
Seconded: Mr Warwick Gately

That the Audit, Risk and Governance Committee recommends to Council that it:

1. Adopts the Department of Local Government, Sport and Cultural Industries Compliance Audit Return for the period 1 January 2024 to 31 December 2024 as contained in **Attachment (a)**;
2. Authorises the certification to be jointly completed by the Mayor and Chief Executive Officer in accordance with Regulation 15 of the Local Government (Audit) Regulations 1996; and
3. Instructs the Chief Executive Officer to provide the Compliance Audit Return and Council's Resolution to the Department of Local Government, Sport and Cultural Industries by 31 March 2025.

CARRIED (5/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis and Jennifer Nevard, Mr Warwick Gately and Ms Shona Zulsdorf.

Against: Nil.

Background

The City is required to carry out an annual audit of statutory compliance in accordance with Regulation 14 of the Local Government (Audit) Regulations 1996. The Department of Local Government, Sport and Cultural Industries distributed a Compliance Audit Return for the period 1 January 2024 to 31 December 2024 which focused on those areas considered high risk in accordance with the *Local Government Act 1995* and associated regulations.

Comment

The 2024 Compliance Audit Return contained the following compliance categories:

- Commercial Enterprises by Local Governments;
- Delegation of Power/Duty;
- Disclosure of Interest;
- Disposal of Property;
- Elections;
- Finance;
- Integrated Planning and Reporting;
- Local Government Employees;
- Official Conduct;
- Optional Questions; and
- Tenders for Providing Goods and Services.

Each section of the 2024 Compliance Audit Return was completed by the relevant business unit.

Consultation

Nil.

Policy and Legislative Implications

In accordance with Regulation 14 of the Local Government (Audit) Regulations 1996 the completed 2024 Compliance Audit Return is to be reviewed and the results presented to Council. Following Council's adoption, the 2024 Compliance Audit Return must be submitted to the Department of Local Government, Sport and Cultural Industries by 31 March 2025.

Financial Implications

Nil.

Key Risks and Considerations

| | |
|-------------------------------|---|
| Risk Event Outcome | Reputational Damage Deals with adverse impact upon the professional reputation and integrity of the City and its representatives whether those persons be appointed or elected to represent the City. The outcome can range from a letter of complaint through to a sustained and co-ordinated representation against the City and or sustained adverse comment in the media. |
| Risk rating | Low |
| Mitigation and actions | The City has strong controls in place for the Compliance Audit Return. |

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

| | |
|----------------------|--|
| Strategic Direction: | Leadership |
| Aspiration: | A local government that is receptive and proactive in meeting the needs of our community |
| Outcome: | 4.3 Good governance |
| Strategy: | 4.3.4 Maintain a culture of continuous improvement |

Attachments

7.10 (a): Compliance Audit Return 2024

8. OTHER RELATED BUSINESS

8.1 NOTICE OF MOTION - MS SHONA ZULSDORF - CITY OF SOUTH PERTH FINANCIAL INDICATORS

File Ref: D-25-5999
Author(s): Abrie Lacock, Manager Finance
Reporting Officer(s): Garry Adams, Director Corporate Services

Summary

External Member Ms Shona Zulsdorf submitted the following Notice of Motion prior to the Audit, Risk and Governance Committee meeting held 11 March 2025.

COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf
Seconded: Mr Warwick Gately

That the Audit, Risk and Governance Committee request the CEO to:

1. Provide a report to the Committee at its next meeting on the improvement of the financial indicators at South Perth over the last 10 years.

CARRIED (5/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis and Jennifer Nevard, Mr Warwick Gately and Ms Shona Zulsdorf.

Against: Nil.

Background

External Member Ms Shona Zulsdorf submitted a Notice of Motion regarding a report on the improvement of the financial indicators at the City of South Perth over the last 10 years. The reason given are as follows:

'The report requested is to provide a clear and summarised representation with regards to significant improvement in the City of South Perth's financial position over the last few financial years.'

Comment

The City of South Perth recognised some years ago that its financial position needed to improve for it to remain financially sustainable into the future. Whilst a plan was put in place to improve the financial position at each budget and each half yearly budget review from 2017/18 onward, the impacts of the COVID pandemic presented significant hurdles in achieving these improvements.

The City along with Council developed budgets that worked towards achieving a net operating surplus in the short to medium term. Achieving and maintaining an operating surplus served two purposes. It ensured that funds are available to transfer to the City's reserve funds to fund future asset renewals and it ensured the City was able to achieve a Financial Health Indicator (FHI) score well above the then 70 benchmark as set by the Department of Local Government, Sport and Cultural Industries as per the FHI score.

8.1 Notice of Motion - Ms Shona Zulsdorf - City of South Perth Financial Indicators

The FHI score is calculated from 7 weighted ratio's that were previously defined by the Local Government (Financial Management) Regulations 1996.

During June 2022, the first tranche of amendments to the Local Government (Financial Management) Regulations 1996 (Finance Regulations) and Local Government (Audit) Regulations 1996 (Audit Regulations) came into effect. The amendment removed, amongst other things, the legislated 7 ratios and the requirement for local governments to include financial ratios in the annual financial reports. The State Government have designed a new Local Government Financial Index (LGFI) with four ratios, it will in due course replace the previous Financial Health Indicator (FHI) as previously used on the MyCouncil website.

The (old) ratios were calculated by the City for comparative purposes and the inform the FHI calculation as if still in use. These were used to measure our performance against the stated objective of improving the City's financial sustainability and deliver an improved FHI.

Consultation

Nil.

Policy and Legislative Implications

Nil.

Financial Implications

No additional costs will be incurred in providing the information requested.

Key Risks and Considerations

| | |
|-------------------------------|---|
| Risk Event Outcome | Reputational Damage Deals with adverse impact upon the professional reputation and integrity of the City and its representatives whether those persons be appointed or elected to represent the City. The outcome can range from a letter of complaint through to a sustained and co-ordinated representation against the City and or sustained adverse comment in the media. |
| Risk rating | Low |
| Mitigation and actions | The risk above is mitigated as the information provided is informative and legislative requirements around this information has changed. Although not required comparative information for the last two financial years were prepared on the same basis as if the legislative requirements for the old ratios were still in place. |

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

| | |
|----------------------|--|
| Strategic Direction: | Leadership |
| Aspiration: | A local government that is receptive and proactive in meeting the needs of our community |
| Outcome: | 4.3 Good governance |
| Strategy: | 4.3.3 Maintain a culture of fiscal efficiency |

Attachments

Nil.

Following Item 8.1, External Member Shona Zulsdorf acknowledged Mr Mike Bradford's resignation and the Committee wished him well.

9. CLOSURE

The Presiding Member declared the meeting closed at 7.03pm.

These Minutes were confirmed at the next Audit, Risk and Governance Committee Meeting yet to be determined.

Signed: _____
Presiding Member at the meeting at which the Minutes were confirmed.